

## **Presidential Awards for Excellence in Microenterprise Development**

### **Excellence in Program Innovation**

Partners for the Common Good 2000

Location:	San Antonio, TX
Program Type:	Investor in Microenterprise Development Organizations
Service Area:	United States
Target Market:	Organizations working with Low-Income persons
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Working quietly and with little public fanfare, the Partners Group, Inc. created Partners for the Common Good 2000 (PCG 2000) in 1994 with \$7.9 million from 99 religious institutions. The Partner's Group is a wholly owned subsidiary of the New York-based Christian Brothers Investment Services. Among its investors are 68 congregations of Catholic Sisters, 19 congregations of Catholic Brothers and Priests, eight Catholic healthcare systems, and three Protestant denominations. Sister Carol Coston, OP, an Adrian Dominican Sister, manages PCG 2000. Eighty-eight percent of the portfolio is comprised of investments from individual congregations of Catholic Sisters, who have played a pioneering role in the field of alternative investing and community development finance.

PCG 2000 was selected to receive a Program Innovation award because its unique limited partnership model demonstrates a new type of vehicle through which investor capital can be raised to support microenterprise. Structured as a six-year limited partnership, PCG 2000 makes low-interest loans and deposits to support microenterprise organizations and credit unions engaged in microenterprise lending and low-income housing. Eighty percent of PCG's portfolio consists of activities in the United States with over 40% of its total portfolio supporting microenterprise.

PCG 2000 is the second limited partnership created by the Partners Group, Inc.. The first five-year limited partnership was created in 1989 and provided \$3.25 million in support to organizations that promote microenterprise development. Although other microenterprise organizations have obtained support from religious investors, this is the first group to organize a private sector venture capital vehicle to attract and manage investments in microenterprise. PCG grew out of the corporate responsibility movement and provides a social investment vehicle through which religious organizations can proactively share their financial resources in ventures that generate a high social impact "return."

Its first partnership was so successful that the Partners Group had investors waiting before the second partnership was established. These partnerships are innovative and exciting models for generating community impact. PCG uses social screens to select organizations to receive investments. These screens include benefiting women and minorities, creating jobs and increasing the wages of low-income people, and leveraging private investment. PCG's commitment to social justice has translated into a program that is high impact, financially self-sustaining, and replicable. All operating expenses are paid through a management fee, which is

incorporated into each investment, thereby relieving staff of considerable fundraising activities. PCG's unique structure provides an effective way to attract new funders to the microenterprise field. This is an outstanding example of an innovative program and is one of the best-kept secrets of the microenterprise field.

***Customer Profile: The Esperanza Peace and Justice Center Graciela Sanchez, Executive Director***

Established in 1987, the Esperanza Peace and Justice Center is a San Antonio, city-wide community-based organization working for social justice and cultural enrichment through programming in education and the arts. Esperanza has used a \$150,000 low-interest loan from Partners for the Common Good 2000 (PCG 2000) to acquire a 9,500-square-foot building in downtown San Antonio, Texas. Esperanza, which means "hope" in Spanish, works in a city where the average family income is the lowest among the 50 largest metropolitan areas in the country.

Through its *MujerArtes* program, Esperanza aims to combat the effects of discrimination and poverty by providing low-income Mexican-American women with an opportunity 1) to nourish their spirits by acquiring a greater understanding and appreciation of their culture, and 2) to gain income-producing skills by learning the art of creating clay objects. This cooperative model recognizes that women are often heads of households in need of employment, and that women usually play a preeminent role in passing art and culture on to future generations. *MujerArtes* recognizes that women must learn to respect their own culture, language, and history if they are to offer succeeding generations a stronger sense of self-respect and respect for their community. *MujerArtes* is built on the belief that every woman who participates in the cooperative venture -- whether as a student or teacher -- inspires the others.

The *MujerArtes* program includes an intensive training component for up to 20 participants, who commit to 20 hours of class time each week over a two-year period. The training is offered by an artist-in-residence, who is joined by community leaders, scholars, and other Latina women, who share in the struggles of the participants. These leaders facilitate in-depth discussions on racism, the economic condition of women, history and culture, economic literacy, and other issues.

The participating women sell their work through the Esperanza Center, which each year hosts a "Spring Fair" and a pre-Christmas "Peace Market" that draw thousands of people from South Texas. A percentage of the proceeds of the sale of women's artwork is reinvested in the *MujerArtes* Cooperative. In the coming year, Esperanza plans to open a retail storefront operation that will provide an ongoing outlet for selling the art of the women in *MujerArtes*, as well as that of other San Antonio artisans.

When the PCG 2000 loan is repaid in full in September 2000, Esperanza will hold free title to the building that houses its operations, ensuring a permanent presence in San Antonio as a vibrant community center and source of *esperanza* for generations to come. The loan to the Esperanza Peace and Justice Center is one of 78 loans and deposits totaling \$8.5 million made to date by PCG 2000.